

2020s or beyond, according to Congressional Budget Office projections. But starting in 2015, Social Security will start redeeming the bonds that it holds, and the non-Social Security budget will have to start paying for those bonds from non-Social Security surpluses. The bottom line is that starting in 2015, the government will have to show restraint in the non-Social Security budget so that we can pay the Social Security benefits that people have earned.

That is why it doesn't make sense to enact either tax cuts or spending measures that would spend the non-Social Security surplus before we've addressed Social Security and Medicare for the long run. Before we enter into new obligations, we need to make sure that we have the resources to meet the commitments we already have.

Indeed, not spending the surplus has a positive benefit for addressing Social Security and Medicare. The government is spending \$224 billion this year just to pay the interest on the Federal debt. That is 11.5 cents out of every tax dollar the government collects. If we don't use the surplus for tax cuts or spending, but instead pay down the debt, we reduce that annual interest cost. The President's latest budget proposal calls for paying down the entire publicly-held debt by 2012. Doing so would give us \$224 billion a year more in resources than we have now with which to address our Social Security and Medicare obligations.

The government is like a family with a mortgage on the house and young kids who will go to college in a few years. One way to prepare to be able to afford those college costs is to pay down the mortgage now.

There are a variety of options for extending Social Security's solvency. A broad choice of options exist for how we might get where we need to go. Yesterday, we rejected one option. My motion simply says we should choose some option to extend the life of Social Security and Medicare.

The marriage tax bill before us today would head in the opposite direction. The Joint Committee on Taxation estimates that the committee-reported bill would cost \$56 billion over the first 5 years. And it would cost about \$250 billion, if the sunset provision in this bill is not maintained.

This bill is just one in a long series of tax bills. It's no secret. The majority leader has essentially said as much. The majority intends to pass—in one bill after another—a massive tax cut plan reminiscent of the early 1980s.

Both the Senate and House have already passed a number of costly tax cut bills this year. According to one estimate by the Republican staff of the Senate Budget Committee made in mid-June, the Senate or the House have already passed tax cuts costing about \$440 billion over the next 10 years. Slicing last year's vetoed tax bill into a series of salami slices does not change their irresponsibility.

As well, it doesn't make sense to proceed on one expensive part of a legislative agenda before knowing what the others are. Democrats support targeted marriage penalty relief.

It would be irresponsible to enact a tax cut of this size before doing anything about Social Security and Medicare. Before the Senate passes major tax cuts like the one pending today, the Finance Committee should consider the options for extending Social Security and Medicare. The Senate should do first things first. And that's all that this motion to recommit requires. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that my motion be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3845

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3845.

Mr. FEINGOLD. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike the adjustment to the rate brackets and to further adjust the standard deduction)

Beginning on page 2, line 5, strike all through page 5, line 11, and insert:

SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking “\$5,000” in subparagraph (A) and inserting “200 percent of the dollar amount in effect under subparagraph (C) for the taxable year”;

(2) by striking “\$4,400” in subparagraph (B) and inserting “\$7,500”;

(3) by adding “or” at the end of subparagraph (B);

(4) by striking “\$3,000 in the case of” and all that follows in subparagraph (C) and inserting “\$4,750 in any other case.”; and

(5) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Section 63(c)(4) of such Code is amended by adding at the end the following flush sentence:

“The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).”.

(2) Section 63(c)(4)(B) of such Code is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by striking clause (i) and inserting:

“(i) ‘calendar year 2000’ in the case of the dollar amounts contained in paragraph (2),

“(ii) ‘calendar year 1987’ in the case of the dollar amounts contained in paragraph (5)(A) or subsection (f), and”.

(3) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking “(other than with)” and all that follows through “shall be applied” and inserting “(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Mr. FEINGOLD. Mr. President, the bill before us is a major tax bill. Because the bill sunsets in 2004 to comply with the Senate's Byrd Rule, the Joint Committee on Taxation's official estimate is that the bill would cost \$55.5 billion. And in the likely circumstance that Congress fails to sunset the bill, it would cost nearly \$250 billion over 10 years and \$40 billion a year, or \$400 billion a decade, when fully phased in.

In a matter of this importance, it is appropriate to consider where the money goes. It is appropriate to consider whether we could make other, similar changes to the tax law that would benefit more Americans.

This Senator believes that it is a priority to simplify taxes and free people from paying income taxes altogether. My amendment would accomplish both of these goals by expanding the standard deduction.

The amendment would increase the standard deduction for individuals by \$250, from \$4,500 to \$4,750. It would increase the standard deduction for heads of households, as well, from \$6,650 to \$7,500. And it would maintain the underlying bill's policy of increasing the standard deduction for married couples to twice that of an individual.

Seven in 10 taxpayers take the standard deduction instead of itemizing. My amendment would benefit all of those 7 out of 10 taxpayers. It would reduce their taxable incomes by hundreds of dollars and thus make it so that many middle-income working Americans would not owe any income taxes at all.

Expanding the standard deduction would also make it worthwhile for even more Americans to use that easier method of calculating their tax and avoid the difficult and cumbersome itemization forms. It would thus take one of the most concrete steps that we can take to simplify the unnecessarily complex income tax.

My amendment is paid for, so that the total cost of the bill would be exactly the same over 5 years.

Mr. President, I ask unanimous consent that a letter from the Chief of Staff of the Joint Committee on Taxation certifying that fact be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (see exhibit 1.)

The offset for my amendment is to strike the provision of the Republican marriage penalty bill that benefits only taxpayers in the top quarter of the income distribution. The tradeoff is clear: strike benefits for the best-off quarter to fund tax-simplifying benefits for 7 out of 10 taxpayers—overwhelmingly middle and lower-income taxpayers.

Let me take a moment to explain how the Republican marriage penalty bill works and how it comes to have a provision that benefits only the best off.